Projections of Growth Rate

3443. SHRI MANOJ BHATTACHARYA:
SHRI N.K. PREMACHANDRAN:
SHRI KARNENDU BHATTACHARJEE:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention have been drawn to the reported statement of the PM that even with the most optimistic projections, the average growth rate in the next few years is not likely to cross seven per cent;

(b) if so, the details thereof and reasons for this pessimism; and

(c) whether Government have any special proposal for a higher growth rate and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The Prime Minister while addressing the meeting of the Planning Commission to discuss the Mid-Term Appraisal of the Tenth Plan had indicated that the economy was unlikely to cross the 7 per cent growth rate compared to the annual average growth rate of 8 per cent envisaged during the Tenth plan period (2002-07). The Prime Minister had indicated that employment generation and agricultural growth were unsatisfactory. He emphasized that the focus of planning needed to be changed and policies made conducive to encourage the private sector to play a role in infrastructure development. He felt the need to incentivise the private sector to invest in physical infrastructure through public-private partnerships.

The Union Budget for 2005-06 has proposed a number of initiatives such as emphasis on enhanced public investment, diversifying agriculture, promotion of public-private partnership for infrastructure development, liberalisation of Foreign Direct Investment (FDI) and facilitating growth in industries and services sector through an enabling policy environment. The various measures are expected to have a favourable impact on the growth of the economy.

Provision of residential telephones to the Officers

†3444. SHRI R. S. GAVAI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government provide residential telephones to the officers;

(b) whether it is also a fact that Government take over such telephones

†Original notice of the question was received in Hindi.

and reimburse bills of such officers who already possess these phones;

(c) if so, whether Government will also reimburse the telephone bills of such officers who have taken connections from private companies and pay monthly rent of Rs. 75/- but the pulse rate of such phones is 99 paise, slightly more than MTNL;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir. Officers of and above the rank of Deputy Secretary and 25% of Group 'A' officers below the rank of Deputy Secretary are eligible for official residential telephones.

(b) Yes, Sir, as per rules.

(c) to (e) If the service provider is not BSNL/MTNL, only the call charges upto permissible limit are reimbursable.

Credit Flow to SSI Sector

3445. DR. ALLADI P. RAJKUMAR: Will the Minister of FINANCE be pleased to state:

(a) what is the credit flow to SSI sector from public sector Banks bank-wise and state-wise during the last three years; and

(b) what are the efforts made by Government to improve upon the flow of credit to SSI sector?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Statement-I and II showing bank-wise and state-wise credit flow to SSI Sector from public sector banks for the latest three years period available are enclosed. (*See* below).

(b) Some of the important steps to enhance flow of credit to SSI Sector are given below:

(i) Banks to ensure that out of their total funds lent to SSI sector, at least 40% should be made available to units with investment in plant and machinery up to Rs. 5 lakh and Rs. 25 lakh.

(ii) Increase in the exemption limit for all SSI borrowal accounts